



USDA BROILER MARKET NEWS REPORT

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NATIONAL BROILER MARKET-AT-A-GLANCE



Trade sentiment was mostly steady, instances barely steady in the Midwest. Retail demand was light to moderate, best for features. Food service was also light to moderate, but at times fairly good into fast food outlets. Supplies of all sizes were more than sufficient to handle trade needs. In the parts structure, movement was light to fair. Wings were in balance to tight, and dark meat was at least adequate. Breast items were readily available with tenders in the best balance. In production areas, live supplies were mostly moderate at desirable to light weights. The Composite Weighted Average price for 09/04/06 was 69.32 compared to 69.69 a week earlier, and 73.08 a year ago.

GEORGIA F.O.B. DOCK PRICES The Georgia f.o.b. dock quoted price on broilers/fryers for next week's trading remains unchanged at 71.00 cents based on full truck load lots of ice-packed USDA grade "A" sized 2 1/2 to 3 pound birds. This compares to 75.25 cents last year on September 7, 2005.

Georgia f.o.b. dock quoted prices on ice-packed parts for next week's trading.

ITEM	DOCK PRICE (CENTS PER POUND)
LINE RUN TENDERS	168.00
BREASTS - B/S	159.00
BREASTS - WHOLE	87.00
THIGH MEAT - B/S	90.00
LEG QUARTERS	38.00
WINGS	101.50

This information is supplied by the Georgia Department of Agriculture's Poultry Market News Service.

SOUTHERN REGION Trade sentiment was mostly steady at best. Demand was light to moderate with mixed trading, but was best for active retail ads and fast food promotions. Supplies of all sizes were usually more than sufficient to handle trade needs. In the parts structure, interest was moderate at best. Wings were balanced to well cleared, breast items were adequate to readily available, and dark meat was at least sufficient. In production areas, live supplies were moderate at mostly desirable weights.

NORTHEAST REGION Trucklot buying activity on ready-to-cook whole broiler/fryers was fair to instances moderate during midweek trading. Offerings were at least sufficient for current needs. Retail and distributive movement was fair. The market tone was generally steady. In the parts complex, boneless skinless breasts were at least adequate to available. Wings and tenders were sufficient and clearing satisfactorily. Leg cuts were fully adequate to available.

MIDWEST REGION The whole broiler/fryer market tone was steady to barely steady entering midweek. Offerings were sufficient for the selective buyer interest with some discounting noted. Fill in trading was noted on 3 up wogs delivering into Chicago at 57 cents. Demand into both retail and distributive channels was light to moderate with best draw coming from retail ads and fast food outlets. Floor stocks were mostly balanced with weights generally desirable to instances light. In the parts complex, supplies of wings were tight and clearing satisfactorily, available on breast items, and more than sufficient on dark meat cuts. The trade sentiment was fully steady on wings, barely steady on leg items, and generally steady on the balance of parts.

WESTERN REGION The market tone was steady overall. Offerings were adequate to ample. Sizes trended heavier than desired for full trade needs. Buyers' interest was fair at best. Retailer demand, although fair, was good where limited features in progress. Floor stocks were in fair balance. Trade sentiments mixed on parts with white meat items, particularly wings, in the strongest position.

BROILER-TYPE EGGS SET IN 19 SELECTED STATES **UP 1 PERCENT**

Commercial hatcheries in the 19-State weekly program set 212 million eggs in incubators during the week ending September 2, 2006. This was up 1 percent from the eggs set the corresponding week a year earlier. Average hatchability for chicks hatched during the week was 83 percent. Average hatchability is calculated by dividing chicks hatched during the week by eggs set three weeks earlier.

BROILER CHICKS PLACED **UP 2 PERCENT**

Broiler growers in the 19-State weekly program placed 173 million chicks for meat production during the week ending September 2, 2006. Placements were up 2 percent from the comparable week a year earlier. Cumulative placements from January 1, 2006 through September 2, 2006 were 6.10 billion, down 1 percent from the same period a year earlier.

BROILER-TYPE EGGS SET AND BROILER CHICKS PLACED TOTAL **19 SELECTED STATES**

WEEK ENDING 09/02/06	<u>2006</u>	<u>2005</u>	<u>PERCENT CHANGE</u> <u>PREVIOUS YEAR</u>
EGGS SET	211,989	210,692	+01
CHICKS PLACED	172,909	169,752	+02

Source: NASS, USDA

WEEKLY FRYERS AVAILABLE FOR MARKETING Based on the preliminary chick placements, the number of fryers available for marketing during the week ending 14-Oct-06 is estimated at 159.8 million head. This compares to 160.5 million head the previous week and to 161.8 million head the same week a year ago, when the slaughter was 166.7 million head and the composite weighted average price was 69.58 cents per pound.

SOUTHERN STATES BROILER/FRYER PARTS

F.O.B. DOCK OR EQUIVALENT, ICED-PACKED, PRICES SHOWN ARE DAY OF SHIPMENT (INCLUDES CURRENT AND PRIOR NEGOTIATIONS), TRUCKLOT AND LESS THAN TRUCKLOT VOLUME, CENTS PER POUND.

ITEM	POUNDS (000)	RANGE	MAJORITY	WTD AVG
BREAST - B/S	811	134.00-195.00	-	146.69
TENDERLOINS	268	138.00-196.00	142-147	145.78
BREAST - LINE RUN	114	86.00-90.00	-	87.58
FRONT HALVES		TOO FEW TO REPORT		
LEGS	228	43.00-62.00	44-45	45.60
LEG QUARTERS (BULK)	630	30.00-38.00	32-33	32.54
LEG QUARTERS (4/10)	872	32.00-39.00	36-37	36.62
WINGS (WHOLE)	295	98.00-104.00	99-102	101.25
WINGS (CUT)	275	115.00-120.00	116-119	117.47
DRUMSTICKS	101	32.00-62.00	-	37.52
THIGHS		TOO FEW TO REPORT		
B/S THIGHS		TOO FEW TO REPORT		

WHOLE BODY INDEX BASED ON SOUTHERN STATES PARTS TRADING FOR SEPTEMBER 06, 2006 — F.O.B. DOCK.

RANGE	TODAY'S AVERAGE	5-DAY AVERAGE
52.00 - 58.50	54.06	53.85

The Index is intended solely as an indicator of values for commodity-type product and does not represent industry's willingness to sell or ability to buy.

NORTHEAST BROILER/FRYER PARTS

Trucklot buying interest was light to mostly fair as dealers continued to closely monitor market conditions during midweek trading. Offerings of boneless skinless breasts were at least adequate to available; bone-in breasts were generally sufficient for trade needs. Dark meat cuts were fully adequate. Wings and tenders were clearing satisfactorily. Movement through retail and distributive channels was fair. The market tone was steady to at least steady for wings; steady to barely steady for breast items and dark meat cuts.

ICE PACKED BROILER/FRYER PARTS, DELIVERED TO FIRST RECEIVERS IN POOL TRUCKLOT AND TRUCKLOT QUANTITIES, CENTS PER POUND

ITEM	CURRENT NEG TRADING*	WTD AVG**	VOL/LBS
BREAST - B/S	160-165	151.05	637,134
TENDERLOINS	150-155	142.29	178,916
BREAST - WITH RIBS	87-88	93.72	119,680
BREAST - LINE RUN	87	89.74	77,400
LEGS	49-50	48.52	168,480
LEG QUARTERS (BULK)	36-37	37.66	324,320
DRUMSTICKS	37-38	41.81	199,686
THIGHS	35-36	45.28	59,240
B/S THIGHS	91-92	88.04	118,900
WINGS (WHOLE)	103-104	104.04	259,180
BACKS AND NECKS (STRIPPED)	10-12	11.38	21,560
LIVERS (5 POUND TUBS)	30-35	28.21	19,200
GIZZARDS (HEARTS)	50-55	50.44	29,200

INCLUDES: NY CITY METRO. AREA, RI, NORTHERN NJ, MA, CT, PA (NORTHEAST OF HARRISBURG).

* TODAY'S NEGOTIATED SALES AS OF 11:30 A.M.

** WEIGHTED AVERAGE PRICE OF ALL GRADES AND BRANDS OF PRODUCT SHIPPED, OR TO BE SHIPPED AS OF 1:30 P.M.

ESTIMATED SLAUGHTER OF BROILER-FRYERS (IN THOUSANDS)

	ESTIMATED		ACTUAL		AVG WTS		ACTUAL		AVG WTS
	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
Alabama	4,019	4,095	(A)	4,273	(A)	4.99	4,080	5.28	
Arkansas	5,363	5,415	(A)	5,473	(A)	5.10	5,298	5.27	
Delmarva	2,321	2,302	(A)	2,559	(A)	5.63	2,317	5.70	
KY-LA-TN	2,340	2,347	(A)	2,530	(A)	4.83	2,285	4.93	
Mississippi	2,894	2,955	(A)	3,602	(A)	5.59	2,859	5.80	
North Carolina	2,650	2,697	(A)	3,612	(A)	6.69	2,630	6.71	
Texas	5,222	2,504	(A)	2,517	(A)	5.16	2,535	5.21	
Total	24,809	22,315	5,977	24,943	4.94	5.42	22,004	5.52	
Mon-Wed	51,936(B)						65,655(B)		

(A) Not published to avoid disclosing individual operations

(B) Weekly cumulative for states listed above. Broiler-fryer slaughter under federal inspection for 06-Sep-06 is estimated to be 37,117,000 head up 12.41 percent from a week ago and up 15.36 percent from a year ago.

(Last week 33,019,000, last year 32,174,000)

SOUTHERN CALIFORNIA (L.A. AREA) PROCESSED POULTRY

DELIVERED TO RETAILERS	RANGE
FRESH FRYERS	91-100
ROASTERS 4# & UP	99-108
HENS UNDER 5#	-
HENS OVER 5#	65-74
DUCKS	
RABBITS-WHOLE	
RABBITS-CUT UP	

SAN FRANCISCO PROCESSED POULTRY**DELIVERED TO RESTAURANTS AND INSTITUTIONS**

FRESH FRYERS	DRY PACK	110-114
	ICE PACK	91-103
ROASTERS 4# & UP	DRY PACK	111-118
	ICE PACK	100
HENS OVER 5#	DRY PACK	102-109
	ICE PACK	88-102
DUCKS		185-190

ESTIMATED U.S. LIVE POULTRY SLAUGHTER

UNDER FEDERAL INSPECTION FOR WEEK ENDING 9-Sep-06

	CURRENT WEEK	PREVIOUS WEEK
	09/09/06 (1)	09/02/06
CLASS	THOUSAND HEAD	
Broiler/fryer	150,870 (2)	170,536
Light hens	880	987
Heavy hens	1,248	1,561
Total	152,998	173,084

(1)ESTIMATED (2)The estimated number of broiler-fryers available for slaughter the week ending 09-Sep-06 is 162.0 million head compared to 152.5 million head slaughtered the same week last year. The estimated U.S. slaughter this week is 151.2 million head or 10.8 million more than estimated available. For the week of 16-Sep-06 the estimated available is 163.7 million head.

WEEKLY COLD STORAGE HOLDINGS-SELECTED STGE CENTERS
(INCL GOVT STOCKS) (IN THOUSANDS)

	PROCESSED TURKEY	PROCESSED POULTRY
	LBS	LBS
AM 09/04/06	106,334	70,466
AM 08/01/06	110,271	63,810
CHG	-3,937	6,656
PCT CHG	-4	10

COLD STORAGE MOVEMENT (IN THOUSANDS)

	PROCESSED TURKEYS			PROCESSED POULTRY		
	09/05/06	08/28/06	09/05/05	09/05/06	08/28/06	09/05/05
PACIFIC						
COAST	654	705	5,009	10,426	12,610	4,284
LOS						
ANGELES	294	257	77	2,781	2,966	2,041

CENTRAL MISCELLANEOUS POULTRY RTC HENS

READY-TO-COOK PRICES NEGOTIATED FOR DELIVERY TO FIRST RECEIVERS, U.S. GRADE A AND PLANT GRADE, 5 LBS. AND UP, FOR WEEK OF SEPTEMBER 4, 2006

	RANGE
HENS ICE PACKED (12 PER BOX)	65-76
VACUUM PACKED (6-9 PER BOX)	62-79

HACKETTSTOWN POULTRY SALES

FOR 09/05/06

AI PAPERS REQUIRED TO SELL ALL OUT OF STATE POULTRY

	LOW	HIGH	AVG		LOW	HIGH	AVG
HEAVY FOWL lb.	.80	1.10	.85	HEAVY FOWL ea.	-	-	-
LIGHT FOWL lb.	-	-	-	LIGHT FOWL ea.	-	-	-
MIXED FOWL lb.	-	-	-	MIXED FOWL ea.	-	-	-
BANTAMS lb.	.75	5.50	-	BANTAMS ea.	-	-	-
BROILERS lb.	-	-	-	BROILERS ea.	-	-	-
ROASTERS lb.	-	-	-	ROASTERS ea.	-	-	-
FRYERS lb.	-	-	-	FRYERS ea.	-	-	-
CHICKS lb.	-	-	-	CHICKS ea.	-	-	-
PULLETS lb.	-	-	-	PULLETS ea.	-	-	-
BUNNIES lb.	-	-	-	BUNNIES ea.	-	1.00	-
ROOSTERS lb.	.50	1.76	1.11	ROOSTERS ea.	-	-	-
GEESE lb.	-	-	-	GEESE ea.	-	-	-
TURKEYS lb.	-	-	-	TURKEYS ea.	-	-	-
DUCKS lb.	-	.85	-	DUCKS ea.	-	-	-
RABBITS lb.	.25	1.30	.87	RABBITS ea.	-	-	-
PIGEONS lb.	-	-	-	PIGEONS ea.	1.50	3.75	-
GUINEA FOWL lb.	-	-	-	GUINEA FOWL ea.	-	-	-
DUCKLINGS lb.	-	-	-	DUCKLINGS ea.	-	-	-
GUINEA KEETS ea.	-	-	-	CALL DUCKS ea.	-	-	-
SILKIES ea.	-	-	-	GOSLINGS ea.	-	-	-
GUINEA PIGS ea.	-	-	-	TURKEY POULTS ea.	-	-	-
CHUKARS ea.	-	-	-				
TOTAL COOPS 90							

MAJOR WHOLESALE MARKETS - Mexico City

Cents per pound for the week ending September 1, 2006

	<u>Whole</u>		<u>Legs</u>	<u>Necks, Backs</u>	<u>Livers/</u>	
	<u>Chickens</u>	<u>Breasts</u>	<u>W/ Thighs</u>	<u>& Wings</u>	<u>Gizzards</u>	<u>Hens</u>
RAYON						
Low	59.24	133.50	79.27	16.69	4.17	70.92
High	64.66	150.19	100.12	20.86	8.34	70.92
Mostly	60.49	141.84	95.95	16.69	4.17	70.92

SAN JUAN

Low	59.66	133.50	83.44	16.69	4.17	66.75
High	65.08	150.19	104.30	20.86	8.34	66.75
Mostly	59.66	137.67	95.95	20.86	4.17	66.75

NEW SAN JUAN

Low	59.24	129.33	83.44	16.69	4.17	69.67
High	64.25	150.19	100.12	25.03	8.34	69.67
Mostly	60.49	141.84	95.95	25.03	8.34	69.67

BECERRA

Low	57.15	137.67	87.61	16.69	4.17	73.01
High	67.58	154.36	104.30	29.20	8.34	73.01
Mostly	60.49	150.19	100.12	25.03	8.34	73.01

DELMARVA

Movement of ready-to-cook whole birds was generally noted as fair to moderate and sufficient in keeping the bulk of seller offerings clearing satisfactorily, particularly on the 3.00 and 3.50 pound sizes. Live supplies were moderate; weights were mostly desirable to light. Processor schedules were moderately heavy. Less than trucklot asking prices were unchanged at 65 to 77 cents. Trade sentiment was mostly steady. In the parts complex, offerings were adequate to fully adequate. Wings were noted as in close balance and clearing well. Leg cuts were fully adequate. ACTUAL SLAUGHTER WEEK ENDING 09/02/2006 WAS 11,789,920 @ 5.66 LBS.

*BROILER/FRYER CURRENT NEGOTIATED PRICES FOR IMMEDIATE DELIVERY INCLUDES MOSTLY MULTIPLE-DROP SHIPMENTS OF BRANDED AND WING TAGGED TO NEW YORK CITY FROM DELMARVA

**BRANDED
U.S. GRADE A**

RANGE
WEIGHTED AVERAGE
NO. OF BOXES

51-79
(A)
(A)

(A)Not reported to avoid disclosing individual operations.

**USDA, AMS, POULTRY PROGRAMS,
POULTRY MARKET NEWS OFFICES**

Washington, DC	Voice	(202)720-6911	Mike Sheats
	Fax	(202)720-2403	(Chief)
Atlanta, GA	Voice	(404)562-5850	Johnny Freeman
	Fax	(404)562-5875	(Officer-In-Charge)
Jackson, MS	Voice	(601)965-4662	Gary Brown
	Fax	(601)359-1175	(Southern States Area Supervisor)
Des Moines, IA	Voice	(515)284-4471	Mary L. Adkins
	Fax	(515)284-4468	(Officer-In-Charge)
	Recorded	(515)284-4545	
Long Beach, CA	Voice	(562)388-7337	Jim Derby
	Fax	(562)432-8295	(Officer-In-Charge)
	Recorded	(213)534-1335	